

**Submitted by Michigan Environmental Council
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9. What is the long-term potential for more wind, solar, hydro, biomass, landfill gas, and other renewables sources in other locations to which Michigan is tied electrically?

There are several reasons that provisions were included in current law requiring renewable energy to be generated within the service territory of utilities that serve Michigan customers. Those reasons include the following:

- A. Renewable energy carries with it a number of benefits to the citizens of Michigan, a major one being improvements in air quality. Ninety four percent of new renewable energy capacity since the passage of PA 295 of 2008 has come in the form of onshore wind development. This capacity in large part has displaced energy from the older coal-fired facilities that contribute to over \$1 billion dollars a year in health care costs and damages to Michigan residents. This significant benefit to Michigan residents would be considerably reduced if renewable energy came just in the form of credits purchased from distant markets.
- B. In some instances Michigan utilities have purchased renewable energy at above market rates from facilities such as landfill gas and anaerobic digesters. These purchases are in the best interest of Michigan residents because they help reduce the environmental impacts that those sources would otherwise present to their communities.
- C. Transmission constraints sometimes prevent or make prohibitively expensive moving energy from sources not in our geographic vicinity. By restricting the generation of renewable energy to the service territory of existing utilities we increase the reliability of the overall system.